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Mexico's Weekly Highlights and Hot Bites, Issue #15 2001

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Report Highlights: Update On Proposed Border Closing Resolution*Mexico Released Rules for Bean Auction*Mexico Imposes New Registration Requirements For Importers*Mexico Revises Toxic Residue Levels In Meat Products*Mexico's Coffee Quota Filled*Reminder on Comments on proposed Regulations*Reports Recently Submitted by FAS/Mexico

Welcome to Hot Bites from Mexico, a weekly review of issues of interest to the US agricultural community. The topics covered in this report reflect developments in Mexico that have been garnered during travel around the country, reported in the media, or offered by host country officials and agricultural analysts. Readers should understand that press articles are included in this report to provide insights into the Mexican "mood" facing US agricultural exporters. Significant issues will be expanded upon in subsequent reports from this office.

DISCLAIMER: Any press summary contained herein does NOT reflect USDA's, the US Embassy's, or any other US Government agency's point of view or official policy.

UPDATE ON PROPOSED BORDER CLOSING RESOLUTION

The Mexican Ministry of Treasury, through Customs, has proposed a resolution that will effectively close selected ports of entry to hoofed animals and animal products, including meat. Mexican Customs says it needs to reduce the number of ports of entry to better control imports of products that can introduce foot and mouth disease and BSE into Mexico. The publication of the new resolution was expected to be published in the first week of May. Now, however, Customs is saying that it will likely be put off until mid-May. Many importers, customs brokers and U.S. exporter groups along with USDA/Mexico officials have complained to Customs about the trade implications of this action. While U.S. trade will not be stopped by the pending action, it will be significantly disrupted. Shipping patterns will have to be changed along with contracts; all at additional cost. (Source: FAS/Mexico City, 05/03/01)

MEXICO RELEASED RULES FOR BEAN AUCTION

On May 7, 2001, the Secretariat of Economy (SE) made available rules to the public for the June auction of import permits for U.S. edible beans. The auction will be open to companies that have been in business for one year or have imported beans last year or this year, including companies that are integrated with producers that are registered in the National Register of Businesses. Companies must present invoices that prove the purchase of national beans, or documentation proving imports of beans during 2000 and/or 2001. Certified import permits (*cupos*) for imported beans, except for planting from the United States or Canada, will be valid from July 1, 2001, until September 30, 2001, and will not be extended. Any owner of a *cupo*, including an owner that obtained the maximum quantity allowed (1,500 MT), will be able to transfer or receive, one time only, *cupos* for a maximum per company of 70,000 kilograms; the rest will be non-transferrable. (Source: Secretariat of Economy, Bases de Licitacion de Frijol, FAS/Mexico City)

MEXICO IMPOSES NEW REGISTRATION REQUIREMENTS FOR IMPORTERS

Mexico's Treasury (SHCP) published in the "Diario Oficial" (Federal Register) the Fourteenth Resolution of Modifications to the Miscellaneous Resolution of Foreign Trade for 2000 and their annexes 1, 10, 13, 18, 20, and 22. As of May 1, SHCP imposed new importer registration requirements for specific products; U.S. exports of bovine meat and bovine offals were targeted. The resolution requires importers of certain animal and animal by-products to register with SHCP as an importer of these specific products. Previously, importers had been able to register

as a "generic" importer without specifying products. For further information see MX1059. (Source: FAS/Mexico, 04/02/01)

MEXICO REVISES TOXIC RESIDUE LEVELS IN MEAT PRODUCTS

On April 25, 2001, Mexico announced a modification to Mexican Official Standard NOM-004-ZOO-1994, which applies to maximum permissible limits allowed for toxic residues and sampling procedures for fat, liver, muscle, and kidney in poultry, bovine, caprine, cervine, equine, ovine, and porcine. All affected products will have to comply with the maximum tolerances of toxic residues listed in this NOM. This announcement imposes zoosanitary requirements for the maximum permissible levels of toxic residues in imported products from several domesticated animal species and has no significant potential for impacting the U.S. meat and meat product trade.(Source: FAS/Mexico, 05/03/01)

MEXICO'S COFFEE QUOTA FILLED

On April 30, 2001, Mexico announced that the quantity of select coffee products (HS Nos. 2101.11.01; 2101.11.02; 2101.11.99 and 2101.12.01) imported from the U.S. have exceeded the safeguard quota agreed to under NAFTA. As a result, starting May 1, 2001, the tariff rate increased to 20 percent from 4 percent and will remain in effect through December 31, 2001. (Source: FAS/Mexico, 05/03/01)

REMINDER FOR PUBLIC COMMENTS ON PENDING PROPOSED REGULATIONS

There currently are no proposed regulations on which to comment.

REPORTS SUBMITTED RECENTLY BY FAS/MEXICO

Report#	Title	Date Sent
MX1057	Mexico's Weekly Highlights and Hot Bites, Issue #14	04/26/2001
MX1058	Semi-Annual Citrus Report for MY 2000/01	05/02/2001
MX1059	Mexico Announces New Registration Requirements for all Importers of Specific Products	05/02/2001
MX1060	Mexico Announces Last Auction for Import Permits for Dry Beans	05/02/2001
MX1061	Final Rule for Labeling of Honey Products; NOM-145-SCFI-2000	05/03/01
MX1062	Third Modification to NOM-004-ZOO-1994	05/03/01
MX1063	Imports of Select Coffee Products from the US Exceed 2001 NAFTA Safeguard	05/03/01
MX1064	Mexico's NAFTA Tariff Schedule for 2001	05/04/01
MX1065	The Mexican Market for Snack Foods	05/08/01

MX1066	The Mexican Market for Hides and Skins	05/08/01
MX1067	Mexico Publishes Official Mexican Standard Establishing Campaign Against Coffee Berry Borer	05/09/01